
OFFICE OF GOVERNOR RONNIE MUSGROVE
INTEROFFICE MEMORANDUM

TO: SIMMONS
FROM: BOYD
SUBJECT: CHIP WAITING PERIODS
DATE: 6/19/00
CC: FILE

HB 1469 requires the Division of Medicaid to obtain a reduction in the CHIP waiting period requirement (currently 6 months). According to NGA staff, 24 states have waiting periods for CHIP enrollment with some states having provisions for extenuating circumstances (i.e., loss of job). Of these 24 states, 2 states have a one-month waiting period and 1 state has a two-month waiting period and 7 states have a three-month waiting period (see attached emails from Joan Henneberry).

Maria Morris (Division of Medicaid) has spoken with Ms. Andriette Johnson, HCFA-Atlanta, regarding changes in the waiting period. HCFA-Atlanta appears to be unwilling to approve anything less than a three-month waiting period. However, we do not have any provision that provides insurance for extenuating circumstances.

A reduction in the six-month waiting period is necessary. From an administrative side, reducing the waiting period increases the opportunity for crowd-out (Crowd-out refers to parents with insurance coverage choosing to drop their insurance premium and convert to the a free insurance program.). **A three-month waiting period would be a victory, especially if we include extenuating circumstances in the plan modifications.**

My policy concerns center on the review process for HCFA to approve these modifications. Medicaid will submit a concept paper to HCFA-Atlanta addressing HB 1469. Johnson has told Morris that it will be rejected if it contains no waiting period. We may need pressure from Washington to speed the process.

Please find attached a copy of the draft concept paper for submission to HCFA-Atlanta. Please review and comment by COB 6/21/00. Thanks.